

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2012-93-E - ORDER NO. 2012-444

JULY 17, 2012

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| IN RE: Application of Progress Energy Carolinas, |) ORDER APPROVING |
| Inc. for Approval of Its Demand-Side |) DSM/EE COST |
| Management and Energy Efficiency Rider |) RECOVERY RIDER |

This matter comes before the Public Service Commission of South Carolina (“Commission”) on a Petition by Progress Energy Carolinas, Inc. (“PEC”) for a Demand Side Management (“DSM”) and Energy Efficiency (“EE”) Rider seeking to recover actual and estimated DSM/EE costs incurred from April 1, 2011 through March 31, 2012, and for forecasted costs covering the period July 1, 2012 through June 30, 2013. PEC has requested the recovery of \$13,413,416 in total amortized costs through the proposed rider, resulting in a rate of 0.439 cents/kWh for residential customers and 0.223 cents/kWh for general service customers. Total amortized costs are comprised of the recovery of net lost revenues, amortization of program performance incentive costs, over/under collections during the test period, and amortization of program costs. PEC requests that these rates become effective for bills rendered on or after the first billing cycle of July 2012.

The Office of Regulatory Staff (“ORS”) has reviewed this matter and has no adjustments to PEC’s filing. Additionally, ORS’s analysis of the Petition shows the updated DSM/EE Rate Rider is based on reasonable estimates of participation in the

Company's DSM and EE programs. Furthermore, a letter from the Southern Environmental Law Center ("SELC"), representing several intervenors, concludes that PEC appears to be on track to continue capturing energy efficiency savings and providing ratepayers with low cost, reliable, energy resources. SELC adds that it hopes PEC's measurement and verification efforts regarding the DSM and EE programs continue to grow more robust and transparent.

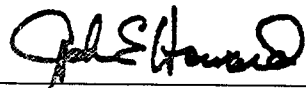
We find that the updated DSM/EE Rate Rider was developed in accordance with the terms and conditions set forth by this Commission.

IT IS THEREFORE ORDERED:

The requested increase in the DSM/EE Rate Rider is approved to become effective for bills rendered on or after the first billing cycle of July 2012.

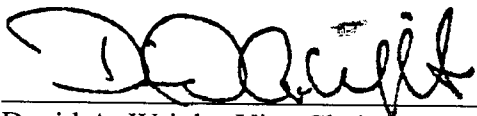
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



John E. Howard, Chairman

ATTEST:



David A. Wright, Vice Chairman
(SEAL)